

**CIVIL ACTION
COVER SHEET**

DOCKET NO.(S)

**Trial Court of Massachusetts
Superior Court Department**
County: **SUFFOLK**

PLAINTIFF(S)

COMMONWEALTH OF MASSACHUSETTS

DEFENDANT(S)

**THE CADLE COMPANY, THE CADLE COMPANY II, INC.,
and DANIEL CADLE, Individually**ATTORNEY, FIRM NAME, ADDRESS AND TELEPHONE **617-727-2200****Jonathan B. Engel, AAG
Office of the Attorney General
One Ashburton Pl., Boston, MA 02108
Board of Bar Overseers number: (BBO #664518)**

ATTORNEY (if known)

**Mark H. Bluver, Esq.
Shatz, Schwartz and Fentin, P.C.
1441 Main St., Suite 1100
Springfield, MA 01103****Origin code and track designation**

Place an x in one box only:

- ☒ 1. F01 Original Complaint
☐ 2. F02 Removal to Sup.Ct. C.231,s.104
(Before trial) (F)
☐ 3. F03 Retransfer to Sup.Ct. C.231,s.102C (X)

- ☐ 4. F04 District Court Appeal c.231, s. 97 &104 (After
trial) (X)
☐ 5. F05 Reactivated after rescript; relief from
judgment/Order (Mass.R.Civ.P. 60) (X)
☐ 6. E10 Summary Process Appeal (X)

TYPE OF ACTION AND TRACK DESIGNATION (See reverse side)

CODE NO.	TYPE OF ACTION (specify)	TRACK	IS THIS A JURY CASE?
<u>D99</u>	<u>G.L. c. 93A</u> <u>Consumer Protection</u>	<u>(F)</u>	<u>()</u> Yes <u>(X)</u> No

The following is a full, itemized and detailed statement of the facts on which plaintiff relies to determine money damages. For this form, disregard double or treble damage claims; indicate single damages only.**TORT CLAIMS**

(Attach additional sheets as necessary)

A. Documented medical expenses to date:

- | | |
|------------------------------------|----------|
| 1. Total hospital expenses | \$ |
| 2. Total Doctor expenses | \$ |
| 3. Total chiropractic expenses | \$ |
| 4. Total physical therapy expenses | \$ |
| 5. Total other expenses (describe) | \$ |

Subtotal \$

- | | |
|---|----------|
| B. Documented lost wages and compensation to date | \$ |
| C. Documented property damages to date | \$ |
| D. Reasonably anticipated future medical and hospital expenses | \$ |
| E. Reasonably anticipated lost wages | \$ |
| F. Other documented items of damages (describe) | \$ |

G. Brief description of plaintiff's injury, including nature and extent of injury (describe)**TOTAL \$****CONTRACT CLAIMS**

(Attach additional sheets as necessary)

Provide a detailed description of claim(s):

TOTAL \$**PLEASE IDENTIFY, BY CASE NUMBER, NAME AND COUNTY, ANY RELATED ACTION PENDING IN THE SUPERIOR COURT DEPARTMENT****"I hereby certify that I have complied with the requirements of Rule 5 of the Supreme Judicial Court Uniform Rules on Dispute Resolution (SJC Rule 1:18) requiring that I provide my clients with information about court-connected dispute resolution services and discuss with them the advantages and disadvantages of the various methods."**

Signature of Attorney of Record

DATE: 12/7/07

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

**SUPERIOR COURT
CIVIL ACTION NO.**

_____)	
COMMONWEALTH OF MASSACHUSETTS,)	
)	
Plaintiff,)	
)	
v.)	COMPLAINT
)	
THE CADLE COMPANY, THE CADLE)	
COMPANY II, INC., and DANIEL CADLE,)	
Individually,)	
)	
Defendants.)	
_____)	

I. INTRODUCTION

1. The Attorney General brings this civil action in the public interest and on behalf of the Commonwealth of Massachusetts pursuant to G. L. c. 93A, § 4, the Massachusetts Consumer Protection Act. The Defendants in this action are Ohio corporations and their controlling individual engaged in the business of debt collection. As alleged in greater detail below, the Defendants committed a pattern and practice of unfair and deceptive acts or practices in violation of G. L. c. 93A, § 2(a) by unlawfully collecting debt.

2. The Commonwealth requests that this Court enter preliminary and permanent injunctions to prevent the Defendants from committing further unfair and deceptive acts or practices, order the Defendants to pay restitution to aggrieved consumers, and assess civil penalties and costs against the Defendant pursuant to G. L. c. 93A, § 4.

II. JURISDICTION AND VENUE

3. This Court has jurisdiction of the subject matter of this action pursuant to G. L. c. 93A, § 4, and G. L. c. 214, § 1.

4. Venue is proper in Suffolk County pursuant to G. L. c. 93A, § 4, and G. L. c. 214, § 5.

III. PARTIES

5. The Plaintiff is the Commonwealth of Massachusetts, represented by Attorney General Martha Coakley, and brings this action in the public interest.

6. The Defendant, The Cadle Company (“TCC”), is an Ohio corporation. Its principal business address is 100 North Center Street, Newton Lower Falls, Ohio 44444.

7. The Defendant, The Cadle Company II (“TCC II”), is an Ohio corporation. Its principal business address is 100 North Center Street, Newton Lower Falls, Ohio 44444.

8. The Defendant, Daniel C. Cadle (“Cadle”), is a natural person who resides in Newton Lower Falls, Ohio. Cadle is the President and Chief Executive Officer of TCC and TCC II. Cadle controls the daily operations of TCC and TCC II.

IV. FACTS

A. The Defendants do not Have the Necessary License to Collect Debt in the Commonwealth.

9. The Defendants are engaged in the business of debt collection. The Defendants use the mail, telephone, and other means to communicate with Massachusetts citizens for the purpose of collecting debts owed or asserted to be owed to others.

10. In order to engage in the business of debt collection, a debt collector must obtain a license from the Commissioner of Banks to carry on such a business.

11. On December 10, 2003, the Division of Banks issued a Notice of Denial and written decision, under G. L. c. 93, § 24, denying TCC's July 10, 2003 application for a license to operate the business of a collection agency.

12. Among other reasons, the Division of Banks cited TCC's ongoing operation as a debt collector, in defiance of an April 14, 2003 cease and desist order issued by the Division of Banks, as a basis for the denial of TCC's application.

13. The Division of Banks found that TCC's pattern of violating regulatory and judicial orders, together with the reputation, integrity, and net worth of TCC did not warrant the belief that TCC would operate honestly, fairly, soundly, and efficiently in the public interest.

14. Concluding its 2003 decision of denial, the Division of Banks stated, "The Cadle Company, Daniel C. Cadle, and any of its affiliates are hereby directed to cease any such operations in Massachusetts."

15. On June 22, 2007, the Division of Banks issued a Notice of Denial and written decision, under G. L. c. 93, § 24, denying TCC II's August 3, 2005 application for a license to operate the business of a collection agency.

16. In considering the August 3, 2005 application, the Division of Banks found that TCC had engaged in unlicensed debt collector activity in the Commonwealth between the Division's December 10, 2003 license denial and TCC II's August 2005 application.

17. The Division of Banks denied TCC II's application for a debt collector license. The Division of Banks, in denying TCC II's license application, determined that Cadle had engaged in prohibited conduct in its contacts made with consumers to collect

debt, knowingly engaged in unlicensed debt collection activity, demonstrated a pattern of substituting his own judgment for that of the Division of Banks, and engaged in a pattern of abusive conduct with respect to Massachusetts citizens from whom defendants collected debt.

18. Concluding its June 2007 denial, the Division of Banks stated, “[T]he Division denies [TCC II]’s License Application to engage in the business of a debt collector. This decision ... precludes [TCC II], Mr. Cadle, and any other unlicensed entity owned or controlled by him, from attempting to collect any debt from a consumer in the Commonwealth which Mr. Cadle, or any such entity, purchased when such debt was in delinquent status.”

B. The Defendants Continue to Collect Debt Without a License.

19. The Defendants continued to operate a debt collection business in the Commonwealth without a license, after the Division of Banks’ 2003 denial and its 2007 denial.

20. Included among debts the Defendants have collected or attempted to collect in the Commonwealth are debts that have been discharged in bankruptcy.

21. On information and belief, as recently as November 12, 2007, the Defendants have attempted to collect debt from consumers in the Commonwealth.

**V. VIOLATIONS OF THE MASSACHUSETTS
CONSUMER PROTECTION ACT**

COUNT I

Unfair and Deceptive Acts and Practices in Violation of G.L. c. 93A, § 2(a)

22. The Commonwealth re-alleges all preceding paragraphs of this Complaint and incorporates them by reference herein.

23. The Defendants, in knowingly collecting debt in the Commonwealth without a license, have violated G. L. c. 93 § 24. Pursuant to G. L. c. 93, § 24, collecting debt in the Commonwealth without a license is an unfair and deceptive act and a per se violation of G. L. 93A, § 2(a).

VI. PRAYER FOR RELIEF

WHEREFORE, the Commonwealth requests that this Honorable Court grant the following relief:


1. After hearing, enter a preliminary injunction, enjoining Defendant from engaging in unfair and deceptive conduct, including prohibiting the Defendants' collection of debt in the Commonwealth, directly or indirectly.
2. After trial on the merits, enter judgment against Defendant and in favor of the Commonwealth for each violation alleged in this complaint; permanently enjoin and restrain Defendant from violating the Consumer Protection Act, G. L. c. 93A; award such relief as this Court finds necessary to redress injury to consumers resulting from the Defendant's violations of the Consumer Protection Act, G. L. c. 93A, including but not limited to, reformation or rescission of contracts, and the cancellation of purported debts; impose a civil penalty pursuant to G. L. c. 93A, § 4, in the amount of \$5,000 for each violation of G. L. c. 93A, § 2 found against the Defendant; and award the Commonwealth

the costs of bringing this action, as well as such other and additional equitable relief as this Court may determine to be just and proper.

COMMONWEALTH OF
MASSACHUSETTS

MARTHA COAKLEY
ATTORNEY GENERAL

By:


JONATHAN B. ENGEL (BBO#: 664518)
Assistant Attorney General
Consumer Protection Division
One Ashburton Place
Boston, Massachusetts 02108
(617) 727-2200

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

SUPERIOR COURT DEPARTMENT
OF THE TRIAL COURT
CIVIL ACTION NO.

COMMONWEALTH OF MASSACHUSETTS,

Plaintiff,

v.

**THE CADLE COMPANY, THE CADLE
COMPANY II, INC., and DANIEL CADLE,
Individually,**

Defendants.

STIPULATED ORDER

IT IS HEREBY ORDERED, after stipulation among the parties, that The Cadle Company, The Cadle Company II, Inc., and Daniel Cadle, individually, and their employees, successors and assigns, and all other persons and entities, individuals or trustees, corporate or otherwise, in active concert or participation with any of them, are HEREBY ENJOINED from:

- a. Operating a debt collection business by collecting, or attempting to collect, directly or indirectly, debts owed by persons present or resident in the Commonwealth, without a license from the Massachusetts Division of Banks, pursuant to G. L. c. 93, § 24;

Notwithstanding the foregoing paragraph, this Order shall not prohibit Defendants from operating as a passive debt buyer by purchasing debt in default but not directly

engaging in the collection of such debt, consistent with Division of Banks Opinion Letter 06-060, provided:

- a. All collection activity is performed by a properly licensed debt collector in the Commonwealth or an attorney-at-law licensed to practice law in the Commonwealth, consistent with G. L. c. 93, § 24; and
- b. Defendants provide notice to the Attorney General of the licensed collection agent that will perform such services on behalf of Defendants.

As defined by G. L. c. 93, § 24, “debt” as used herein shall mean “consumer debt.” This Order does not enjoin Defendants from collecting commercial debt.

The Defendants enter into this Order voluntarily and explicitly deny any wrongdoing. This Order should not be construed as an admission of liability.

IT IS HEREBY FURTHER ORDERED that the Defendants produce, beginning January 2008 and quarterly thereafter, an accounting setting forth debt instruments or any kind, held by Defendants or their affiliates, owed by persons present or resident in the Commonwealth.

Defendants shall provide required documents by mail to the attention of Jonathan B. Engel, Assistant Attorney General, at the Office of Attorney General, Consumer Protection Division, One Ashburton Place, Boston, Massachusetts 02180.

Stipulated by:

COMMONWEALTH OF MASSACHUSETTS

MARTHA COAKLEY
ATTORNEY GENERAL

By: 

Jonathan B. Engel

BBO #664518

Assistant Attorney General

Consumer Protection Division

One Ashburton Place

Boston, MA 02108

(617) 727-2200

THE CADLE COMPANY, THE CADLE
COMPANY II, INC., and DANIEL CADLE,
Individually,

By: 

Mark H. Bluver

BBO #560330

Shatz, Schwartz and Fentin, P.C.

1441 Main Street - Suite 1100

Springfield, MA 01103

So ordered,

Justice, Superior Court

Date: _____